

UNIT 58 STOP WORK

(Formerly Unit 60)

UNIT CERTIFICATION

Statement of Completion

_____ has satisfactorily completed on-the-job training in the duty or duties of this Unit under the conditions described below and in accordance with the overall standard(s) for this Unit.

Duties

1. Determine the need to stop work.
2. Prepare and issue stop work orders.
3. Issue resume work orders.

Conditions

Given a contract with a stop or suspension of work clause, relevant data (e.g., on the contractor's actual cost experience to date) and evidence of a need to stop work.

**Overall
Standard(s)**

Stop work when necessary to:

- Prevent incurrence of unnecessary cost (especially when the Government no longer has a need for the requirement).
- Minimize the risk of incomplete or unsatisfactory performance.
- Institute changes in design or production methods that will better meet the requirement.

Evaluator

Name

Title

Date

UNIT 58 STOP WORK

DOCUMENTATION OF OJT ASSIGNMENT(S)
Description of Assignment:
Evaluation:
Completion Date:

UNIT 58 STOP WORK

Policies

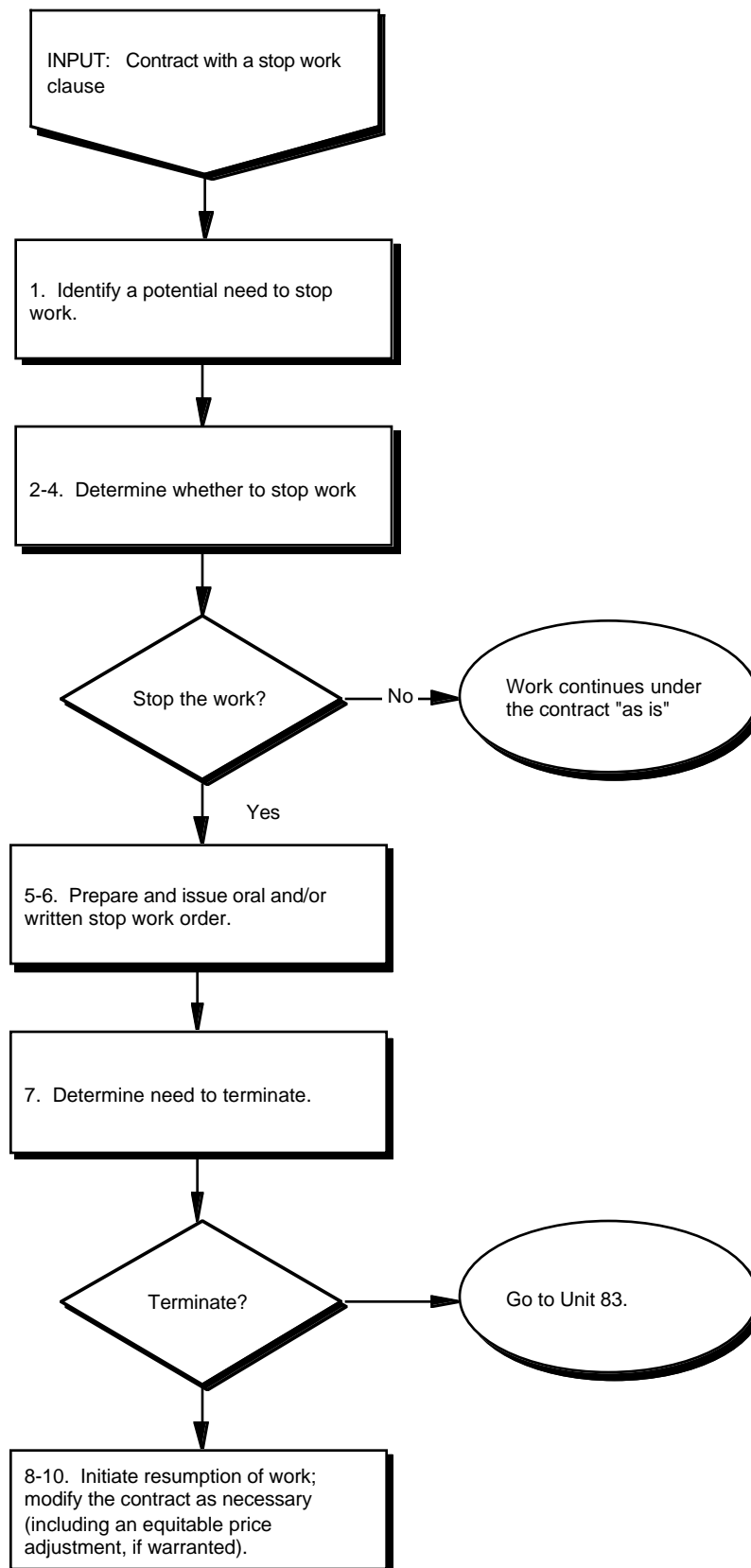
<i>FAR</i>	<i>Agency Suppl.</i>	<i>Subject</i>
42.1302		Suspension of work
42.1303		Stop-work orders.
52.242-14		Suspension of Work (construction & A&E contracts)
52.242- 15		Stop-Work Order

Other KSA's

1. Knowledge of benefits to contractor from complying with an oral stop work order even though such orders, given orally, have no legal standing.
2. Skill at building working partnerships with contractors in accomplishing common goals.
3. Skill at "making the contractor whole," for any loss incurred from stoppage--whether or not a legal remedy or duty exists.
4. Knowledge of typical reasons for using a stop work order.
5. Knowledge of consideration..

Other Policies and References (Annotate As Necessary):

STOP WORK



UNIT 58 STOP WORK

Tasks	Related Standards
<p>1. Identify a potential need to stop work.</p> <ul style="list-style-type: none"> • Initiation by the contracting officer (e.g., when the Government cannot furnish property or services per the contract schedule; when the contracting officer has received a request by quality assurance personnel to stop the line and calibrate tools; when terminating for cause or default per Unit 83—provided that the stop work order is not used in lieu of a termination notice). • Initiation by contractor (e.g., the Government needs time to consider a proposal under the value engineering clause that would incorporate a production or engineering breakthrough). • Initiation by requiring activity (e.g., for consideration of contract modifications that would substantially change the end product). 	<p>1. Correctly recognize conditions under which a stop work order might be in the Government's interest. Only issue stop work orders if there is such a clause in the contract and if it is advisable to suspend work pending a decision by the Government and a supplement agreement providing for the suspension is not feasible.</p>
<p>2. Establish a time frame ("on or about," i.e., period of delay).</p>	
<p>3. Determine the impact of stopping the work.</p> <ul style="list-style-type: none"> • Monetary (per the techniques in Unit 40). <ul style="list-style-type: none"> - Labor (pay for idle time). - Damage to perishable goods. - Overhead (e.g., inventory, indirect labor, etc.). • Delay in meeting performance requirement. 	<p>2. Maximum of 90 days for unilateral stoppages under the stop work clause at 52.242-15. Any further extension must be made through a supplemental agreement.</p>
<p>4. Decide and document whether or not to stop the work.</p> <ul style="list-style-type: none"> • Origin, purpose, and benefits of stopping the work. • Cost. • Alternatives to stopping the work (if any). • Why the stop order (rather than a supplemental agreement) should be used. 	<p>4. Recommend the most cost effective or practical solution to the problem, in terms of the program requirement.</p>
<p>5. Issue the oral or written stop work order and obtain the contractor's signature.</p> <ul style="list-style-type: none"> • Description of the work to be suspended. • Instructions regarding the contractor's issuance of further orders for materials or services. • Guidance on actions to be taken on any sub-contracts; other suggestions for minimizing costs. • Effective date and time. • Resume "on or about." • Nature or reason. • The contractor's right to file a claim under the clause at 52.242-15. 	<p>5. Do not issue oral stop work order unless written followup is provided. Oral instructions to stop work are not binding until the written followup has been received. The written stop work order should conform to FAR 42.1303(c).</p>

UNIT 58 STOP WORK

Tasks

Related Standards

<p>6. Discuss the stop work order with the contractor and modify the order, if necessary, in light of the discussion.</p> <ul style="list-style-type: none"> • Present the reason for the stoppage. • Obtain an estimate of labor and other costs of expected stoppage. • Present alternatives considered by Government and obtain the contractor's feedback (additional alternatives and additional data bearing on considered alternatives). • Effective date and time; resume "on or about." 	<p>6. Give the contractor an opportunity to provide alternatives. Correctly explain what costs the contractor is entitled to recover for the stoppage. Reach a bilateral agreement in writing to any extension of the work stoppage beyond 90 days.</p>
<p>7. Determine need to terminate the contract (per Unit 83).</p>	<p>7. Any decision to terminate should be made within the period of the stop work order. If terminated, allow reasonable costs resulting from the stop-work order in arriving at the termination settlement.</p>
<p>8. Contact the parties responsible for the stoppage and the requiring activity daily to determine when work can resume.</p>	
<p>9. Call the contractor with an oral go ahead and/or prepare written cancellation of the stop work order.</p>	<p>9. The contractor resumes work upon receipt of the cancellation or if the period of the order (or any extension thereof) expires.</p>
<p>10. Modify the contract in writing.</p> <p>Based on:</p> <ul style="list-style-type: none"> • The contractor's claim for an equitable adjustment in the delivery schedule, price, or both under the Stop-Work Order clause. • Changes, if any, in the Government's requirement (e.g., resulting from acceptance of a value engineering proposal). 	<p>10. Only make an equitable adjustment when:</p> <ul style="list-style-type: none"> • The stop-work order results in an increase in the time required for, or in the Contractor's cost properly allocable to, the performance of any part of the contract, and • The Contractor asserts a claim for the adjustment within: <ul style="list-style-type: none"> - 30 days after the end of the period of work stoppage, or - When the facts warrant receiving and acting on the claim, before final payment under the contract.